

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 01095 071256Z

50

ACTION EUR-12

INFO OCT-01 EA-06 IO-10 ISO-00 SSO-00 NSCE-00 INRE-00

USIE-00 AEC-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00

DODE-00 EB-07 FEAE-00 FPC-01 H-01 INR-07 INT-05 L-02

NSAE-00 NSC-05 OMB-01 PM-03 RSC-01 SAM-01 OES-03

SP-02 SS-15 STR-01 TRSE-00 FRB-03 NEA-09 OPIC-03

LAB-04 SIL-01 PA-01 PRS-01 /118 W

----- 067120

O R 071201Z FEB 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC IMMEDIATE 8242

USMISSION OECD PARIS IMMEDIATE

INFO AMEMBASSY BONN

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION GENEVA

USMISSION NATO

AMEMBASSY ANKARA

AMEMBASSY BERN

AMEMBASSY MADRID

AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY VIENNA

AMEMBASSY WELLINGTON

LIMITED OFFICIAL USE EC BRUSSELS 1095

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 01095 071256Z

E.O. 11652: N/A

TAGS: ENRG, EEC, PFOR

SUBJECT: EC COMMISSION VIEWS ON THE SECRETARY'S NEW ENERGY PROPOSALS

REF: A) EC BRUSSELS 595; B) EC BRUSSELS 871

1. SUMMARY: THE EC COMMISSION IS IN BASIC AGREEMENT WITH THE US PLAN AS OUTLINED IN THE SECRETARY'S PRESS CLUB SPEECH BUT BELIEVES EUROPE WILL HAVE TO TAILOR ITS PROGRAM TO MEET ITS SPECIFIC PROBLEM. THE COMMISSION HOPES FOR COUNCIL APPROVAL ON FEBRUARY 13 FOR THE GENERAL PRINCIPLES ON GUARANTEES FOR INVESTMENT IN ALTERNATE SOURCES. END SUMMARY.

2. THE EC COMMISSION MET ON FEBRUARY 6 TO DISCUSS THE IMPLICATIONS FOR THE COMMUNITY OF THE SECRETARY'S ENERGY PROPOSAL, PARTICULARLY WITH RESPECT TO GUARANTEES FOR ALTERNATE SOURCES OF ENERGY. THE COMMISSION SPOKESMAN OLIVI SAID AFTER THE MEETING THAT THE COMMISSION AGREED THAT IT WAS NECESSARY FOR BOTH CONSUMERS AND PRODUCERS THAT THERE BE A MECHANISM FOR GUARANTEEING INVESTMENTS. THE LEVEL OF ANY REFERENCE PRICE, HE SAID, SHOULD BE ESTABLISHED ONLY IN A DIALOGUE WITH THE PRODUCERS THEMSELVES.

3. ON A NON-ATTRIBUTABLE BASIS OLIVI SAID THE COMMISSION BELIEVES THAT THE US FAVORS PROTECTION VIA A RELATIVELY HIGH GENERAL FLOOR PRICE WHEREAS THE EUROPEANS, BECAUSE OF THEIR HEAVIER RELIANCE ON IMPORTS, PREFER MORE RELIANCE ON DIRECT INCENTIVES AND A RELATIVELY LOW REFERENCE PRICE.

4. OLIVI SAID THAT THE COMMISSION PROPOSAL ON THIS SUBJECT (REFTEL A) WHICH THE FOREIGN MINISTERS COUNCIL FAILED TO DEAL WITH AT ITS JANUARY 20 MEETING, WOULD BE ON THE TABLE AT THE ENERGY COUNCIL ON FEBRUARY 13. THE COMMISSION HOPED THAT THE COUNCIL WOULD BE ABLE TO AGREE ON GENERAL PRINCIPLES AT THAT TIME WHICH WOULD SERVE BOTH AS GUIDELINES FOR THE EC'S OWN POLICY AND FOR A COMMON EC POSITION IN THE IEA.

5. ACCORDING TO COMMISSION VICE PRESIDENT SIMONET'S DEPPTY CHEF DE CABINET VANDEN ABEELE THE DIFFERENCES BETWEEN THE COMMISSION VIEW AND WHAT THEY CONSIDER TO BE THE US VIEW, ARE MORE MATTERS OF EMPHASIS THAN DISAGREEMENT ON BASIC PRINCIPLES. HE SAID THE WORKING LEVEL AT THE COMMISSION IS PRESENTLY DEVELOPING A SERIES LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 01095 071256Z

OF PROPOSALS WHICH WILL NOT BE READY FOR SEVERAL WEEKS. ONE PROPOSAL UNDER CONSIDERATION WOULD CALL FOR THE ESTABLISHMENT OF DIFFERENTIATED FLOOR PRICES FOR THE THREE MAJOR SOURCES OF ENERGY- PETROLEUM, NUCLEAR AND COAL.

6. VANDEN ABEELE SAID THE COMMUNITY ENERGY FUND PROPOSAL (REFTEL B) IS ALSO UNDER SERIOUS CONSIDERATION. THE MONIES WOULD BE GENERATED BY VARIOUS FORMS OF TAXATION INCLUDING IMPORT TAXES,

CONTRIBUTIONS BY MEMBER STATES, AND BORROWINGS IN CAPITAL MARKETS
INCLUDING FOREIGN (SEE SEPTEL). THE FUND WOULD BE USED TO
GUARANTEE INVESTMENTS. THE CURRENT THINKING IS THAT INVESTMENT
OUTSIDE OF THE COMMUNITY WOULD ALSO BE INCLUDED. GREENWALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, ENERGY, REGIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU01095
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750045-0656
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750263/aaaacewf.tel
Line Count: 119
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 EC BRUSSELS 595, 75 EC BRUSSELS 871
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 04 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 APR 2003 by BoyleJA>; APPROVED <19 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC COMMISSION VIEWS ON THE SECRETARY'S NEW ENERGY PROPOSALS
TAGS: ENRG, PFOR, EEC
To: STATE OECD PARIS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006